



U.S. FISH AND WILDLIFE SERVICE TRANSMITTAL SHEET

PART 225 FW 11	SUBJECT Classification, Pay and Allowances Student Loan Repayment Program	RELEASE NUMBER 449
FOR FURTHER INFORMATION CONTACT Division of Human Resources		DATE June 4, 2004

EXPLANATION OF MATERIAL TRANSMITTED:

This chapter increases the Student Loan Repayment Program maximum yearly limit to \$10,000 and the lifetime limit to \$60,000.

DEPUTY DIRECTOR

FILING INSTRUCTIONS:

Remove:

225 FW 11, 12/26/02, FWM 414

Insert:

225 FW 11, 06/04/04, FWM 449

**FISH AND WILDLIFE SERVICE
PERSONNEL**

Personnel

Part 225 Classification, Pay and Allowances

Chapter 11 Student Loan Repayment Program

225 FW 11

11.1 What is the purpose of this chapter? This chapter establishes policy and guidance for supervisors, managers, employees, and servicing human resources offices regarding the administration and uniform application of the provisions governing the Student Loan Repayment Program when necessary to recruit or retain highly qualified employees.

11.2 What is the purpose of the student loan repayment benefit? The purpose of the student loan repayment benefit is to help us recruit highly qualified applicants from outside the Federal sector and retain highly skilled workers in positions that are difficult to fill. It is a discretionary recruitment and retention tool available to managers.

11.3 What is Service policy on the Student Loan Repayment Program?

A. Responsible officials will utilize this program only as necessary and when appropriate to:

(1) Recruit candidates from outside the Federal sector when, in the absence of the repayment of student loans, we would encounter difficulty in filling the position with a highly qualified candidate. For more information regarding ways to demonstrate difficulty in filling a position, see paragraph 11.9.

(2) Retain current Service employees when the high or unique qualifications of the employee or a special need for the employee's services makes it essential to retain the employee, and in the absence of the repayment of student loans the employee would be likely to leave for employment outside the Federal sector.

B. There is a maximum limit of \$10,000 per employee per calendar year and a lifetime Federal employment total of \$60,000 per employee for the repayment of student loans.

11.4 Who is eligible for repayment of student loans? All Service employees, with the exception of Schedule C, term employees with less than 1 year of service remaining on their appointment, and temporary employees, are eligible for repayment of student loans under this program. This includes employees serving on excepted appointments with conversion eligibility to term, career, or career conditional appointments. However, an employee who has defaulted on student loan payments is not eligible for this incentive until the loan is removed from default.

11.5 What are the authorities for the student loan repayment program?

A. [5 CFR 537](#), Repayment of Student Loans.

B. [Department of the Interior Personnel Bulletin 02-4\(537\)](#).

11.6 Is additional guidance available? For additional information and guidance on the Student Loan Repayment Program, see the U.S. Office of Personnel Management [Questions and Answers](#).

11.7 How are determinations made to repay student loans? Supervisors and selecting officials will determine if there is a need to request payment of this benefit on a case-by-case basis. The amount of the repayment will be the minimum necessary to recruit a candidate for employment or to retain the employee. Decisions whether or not to offer the repayment and the amount to be repaid are discretionary. These determinations are final, and employees have no appeal or grievance rights. For recruitment purposes, the selecting official must make a determination to repay student loans under this program before the individual enters on duty. Budgetary constraints may have a negative impact on our ability to approve requests under this program.

11.8 What are the responsibilities under this program?

A. The **Director** is the approving official for requests for student loan repayments.

B. Regional Directors; Manager, California/Nevada Operations Office (CNO); Chief, Law Enforcement; and Assistant Directors will ensure the appropriateness and propriety of the requests they forward to the Washington Office Division of Human Resources. They must also approve, on an annual basis, the disbursement of further funds under this program.

C. The **Assistant Director - Budget, Planning, and Human Resources** serves as technical advisor to the Director with respect to program administration for implementation of policy within the Service.

D. The **Chief, Division of Human Resources:**

(1) Develops Servicewide policy with respect to the student loan repayment program.

(2) Serves as the technical authority and primary point of contact for responding to inquiries and requests for information related to the Servicewide administration and use of the program.

(3) Reviews requests for student loan repayment and forwards such requests to the approving official with a report of the review of the request.

(4) Forwards to Payroll a copy of the loan payment approval to initiate the payment process.

E. The **servicing human resources office** will:

(1) Provide guidance to selecting officials, supervisors,

**FISH AND WILDLIFE SERVICE
PERSONNEL**

Personnel

Part 225 Classification, Pay and Allowances

Chapter 11 Student Loan Repayment Program

225 FW 11

managers, and employees on the provisions of the student loan repayment benefit.

(2) Review requests under this program to ensure conformance with statutory, regulatory, and policy guidance before the requests can be forwarded to the Washington Office for approval.

(3) Verify the amount of the outstanding student loan to avoid overpayment, and ensure that the loan is Federally insured or guaranteed.

(4) After approval, work with the manager/supervisor to complete FWS Form 3-2218 (Student Loan Repayment Service Agreement) and monitor the agreement.

(5) Review the annual authorization for loans that are to be paid out over a period of 2 or more years.

F. Managers and supervisors determine the necessity of offering the student loan repayment benefit and the amount. Within their area of responsibility, they ensure equity and consistency in these decisions. They prepare the requests for the repayment and forward them through the appropriate chain to their Regional Director/CNO Manager; Chief, Law Enforcement; or Assistant Director. Requesting officials must forward annual authorizations signed by the appropriate Service Directorate member to the Washington Office Division of Human Resources.

G. The employee or applicant selected to receive payment under this program provides to his/her supervisor official documentation from the lending institution that states the current outstanding loan balance (within the previous 30 days) and certifies that the loan is authorized by the Higher Education Act of 1965 or the Public Health Service Act. He/she also signs FWS Form 3-2218, agreeing to abide by the conditions established therein. The employee/candidate must also agree to make loan repayments on the portion of the loan that continues to be his/her responsibility, and is responsible for providing appropriate documentation to his/her supervisor for each subsequent payment after the initial one.

11.9 What are the requirements for requests made under this program? Managers and supervisors must submit requests in writing. In addition to completion of FWS Form 3-2219 (Other Taxable Income - Student Loan Repayment Benefit) for Payroll, the required information also includes appropriate documentation from the lender of the outstanding loan balance, and certification that the loan is authorized by the Higher Education Act of 1965 or the Public Health Service Act and the following applicable information. The selecting official or supervisor will forward requests, through the servicing human resources office for review, and then through the supervisory chain to the appropriate concurring official. The appropriate Regional Director/CNO Manager; Chief, Law Enforcement; or

Assistant Director will indicate his/her concurrence on the request by signing and dating FWS Form 3-2219.

A. All requests for student loan repayments for recruitment purposes will document, in writing, that in the absence of the benefit, the selecting official would experience difficulty in filling the position with a highly qualified candidate. In making a determination to repay a qualifying student loan for recruitment purposes, a supervisor or selecting official must consider the following factors and address them in the documentation accompanying the request

(1) The success of recent (within the past 2 years) efforts to recruit high quality candidates for similar positions, including indicators such as offer acceptance rates, the proportion of positions filled, and the length of time required to fill similar positions (if the supervisor has had no necessity to recruit for similar positions within the past 2 years, he/she should make a statement to that effect in the request).

(2) Recent (within the past 2 years) turnover in similar positions.

(3) Labor market factors that may affect the ability of the Service to recruit high quality candidates for similar positions now or in the future (e.g., availability of qualified candidates, current employment conditions, etc.).

(4) Special qualifications or unique skills needed for the position (the need for these special qualifications or unique skills must be documented in the vacancy announcement that announced the position) that cannot be found or are not available elsewhere.

B. Requests for student loan repayments for retention purposes will state the amount to be paid and demonstrate in writing that the high or unique qualifications of the employee or a special need of the Service for the services of the employee makes it essential to retain the employee, and that, in the absence of offering such a benefit, the employee would be likely to leave the Service for employment outside the Federal government. The supervisor must include in the request a copy of the employee's current, valid job offer from an employer outside of the Federal government. The request must also document the extent to which the employee's departure would adversely affect the Service's ability to carry out an activity or perform a function essential to its mission.

11.10 What is the service agreement?

A. Employees who receive student loan repayments must sign an agreement (FWS Form 3-2218) to remain employed with the Service for a minimum period of 3 years, or in the case of multiple payments, 3 years from the date of the last payment to the lender. For example, if an employee/applicant receives approval for the repayment of

**FISH AND WILDLIFE SERVICE
PERSONNEL**

Personnel

Part 225 Classification, Pay and Allowances

Chapter 11 Student Loan Repayment Program

225 FW 11

student loans in a total amount of \$40,000, the repayment would take place over a period of at least 4 years (the annual limit is \$10,000). If the last disbursement to the lender is made on December 31, 2009, the employee's service agreement will run through December 30, 2012.

B. The service agreement covers the total loan amount paid. A new service agreement is not necessary for each annual payment. However, with each payment, the employee must provide the supervisor with official documentation from the lending institution that shows the current outstanding loan balance (within the previous 30 days) and certifies that the employee made required payments during the previous year. The supervisor will forward the documentation to the servicing human resources office for verification of the remaining loan balance to ensure that an overpayment is not made.

C. The agreement may be extended due to unforeseen circumstances (e.g., the employee is in a nonpay status (leave without pay) for an extended period of time).

11.11 How are student loan repayments made?

A. The manager or supervisor will send to the Washington Office Division of Human Resources a separate written notification (FWS Form 3-2219) each year for which loan repayment is approved. The appropriate Regional Director/CNO Manager; Chief, Law Enforcement; or Assistant Director must sign the form as the recommending official, after the servicing human resources office has reviewed and signed it. The employing office will provide funding for the payments made under this chapter and will provide a cost accounting code.

B. The National Business Center's Payroll Operations Division will disburse payment to the loan holder on an annual basis following receipt of the written authorization by the Director. The Division of Human Resources will send a separate written authorization each year that such disbursement is authorized. The loan repayment amount disbursed to the lender will be the net amount after all taxes and other assessments have been withheld. Neither the Service nor the Department of the Interior is responsible for any late fees assessed by the loan holder.

11.12 How are taxes withheld for the student loan repayment program? To minimize the tax ramifications for the employee, the DOI Payroll Office will pay only the net amount to the lending institution. The gross amount authorized by the Service is credited toward the annual and lifetime limits. Further information concerning tax implications of this program can be found in the [OPM Questions and Answers](#) document.

11.13 What happens if an employee moves to another position in the Service? When an employee receiving benefits under this program voluntarily moves to another position within the Service, the new supervisor must apply

for the employee to receive the benefit in upcoming years, if the new supervisor wishes to continue paying this benefit. The employee must be eligible, and all the criteria must be met.

11.14 Under what conditions must an employee reimburse the Service for repayment of a student loan? If an employee serving under a service agreement voluntarily leaves the Service or is separated from the Service due to misconduct or performance, he/she must reimburse the Service for the entire gross amount of the loan paid by the Service and pay interest on the balance owed. There is no provision for prorating the amount the employee must repay. The Assistant Secretary for Fish and Wildlife and Parks has the authority to waive repayment in whole or in part when recovery would be against good conscience or against the public interest.

11.15 Can an employee request a waiver of the repayment? Yes. An employee who wishes to seek waiver of the repayment must forward a request for waiver to his/her supervisor who will forward it through the supervisory chain and obtain the concurrence of the appropriate Regional Director/CNO Manager; Chief, Law Enforcement; or Assistant Director. Officials then forward the request to the servicing human resources office for concurrence, who will in turn forward the request to the Washington Office Division of Human Resources.

11.16 Under what conditions would loan repayment discontinue? During the service agreement period, an employee is not eligible for continued benefits if he/she:

- A.** Leaves the Service.
- B.** Does not maintain an acceptable level of performance.
- C.** Fails to make loan repayments on the portion of the loan that continues to be his/her responsibility.
- D.** Violates any of the conditions of the service agreement.

11.17 Where are the files maintained? The servicing human resources office will file the service agreement in the employee's official personnel folder. Maintain other documentation relating to the student loan repayment program in a separate file.

11.18 What are the reporting and evaluation requirements? The Division of Human Resources will:

- A.** Coordinate reports as requested by the Office of Personnel Management and/or the Department of the Interior.
- B.** Review the use and effectiveness of the student loan repayment authority at least annually and recommend changes to this policy as necessary.

**FISH AND WILDLIFE SERVICE
PERSONNEL**

Personnel

Part 225 Classification, Pay and Allowances

Chapter 11 Student Loan Repayment Program

225 FW 11

C. Conduct an evaluation of the program during reviews of servicing human resources offices, as needed.